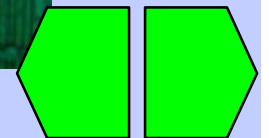
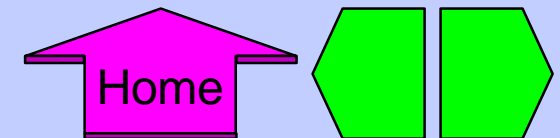


# Integrated Circuits Division



## Key Figures

- 1996 Revenue 341 Million US\$
- 1995/1996 Growth Rate -2.6%
- 1996 Employees 2750

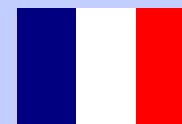


## Core Competencies



Swindon

Business Center  
Mixed Signal ASICs



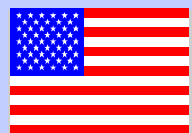
Nantes

Business Center  
Microcontrollers &  
Digital ICs



Heilbronn

Business Center  
Automotive



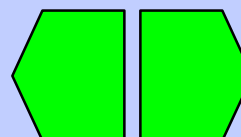
Santa Clara

Business Center  
Power ICs



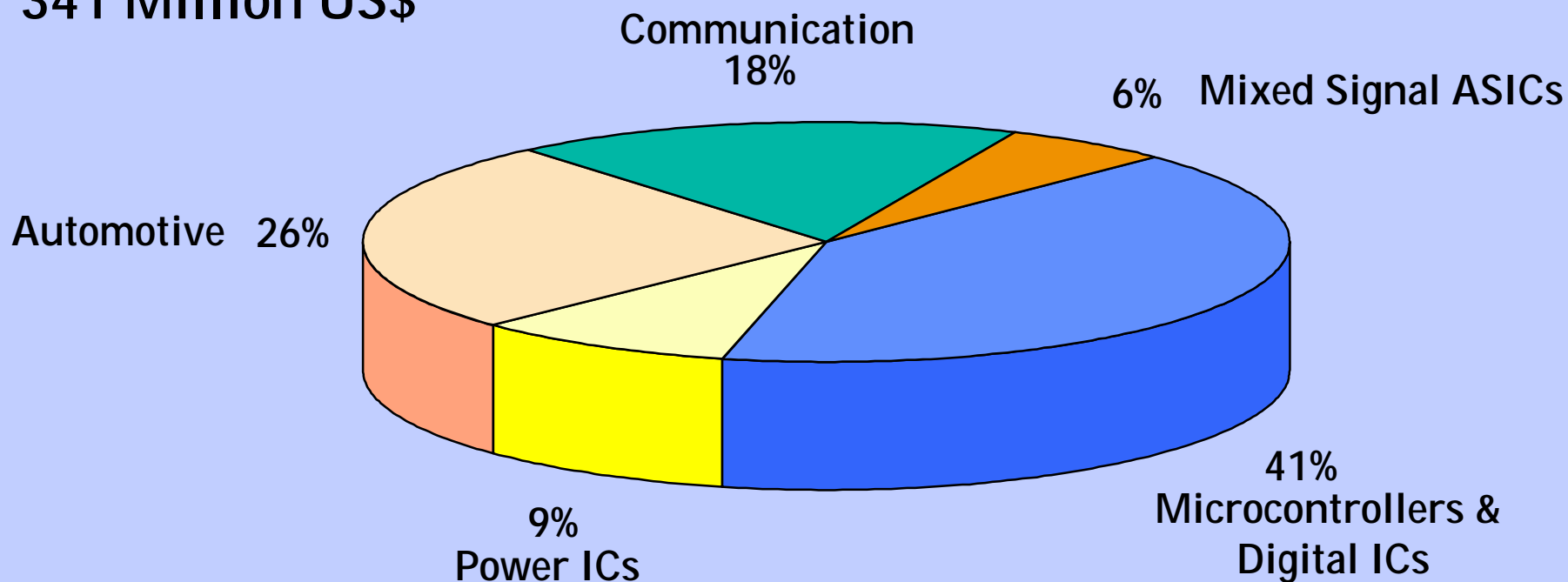
Heilbronn

Business Center  
Communication

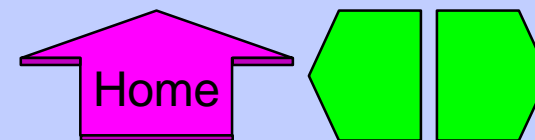


## 1996 Revenue by Business Center

341 Million US\$

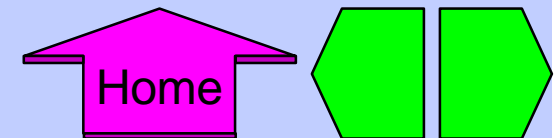


... reflecting our strong position in Communication and Automotive



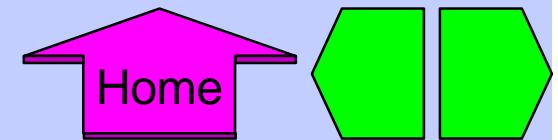
## Mission Statement

- IC supplier & partner N°1 for all RF solutions
- Preferred partner & supplier for automotive customers in selected focus areas
- The source for embedded microcontroller solutions in the communication and computer area



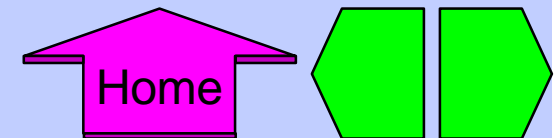
## Guiding Objectives 1997-2000

- Achieve more than 12% Return On Capital Employed in 2000
- Increase the IC division revenue to > 667 Million US\$
- Overall focus program  
... markets, products, customers and resources
- Balance the revenue structure by region
- Complete the re-engineering program



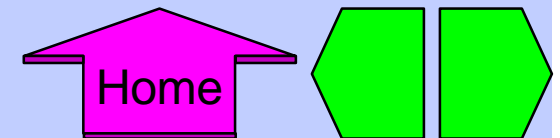
## Guiding Objectives 1997-2000

- We have to streamline our existing product portfolio.
- Do only a few things, very intensive and reliable.
- A consistent strategy is essential for the IC division.
- The revenue structure has to be balanced between the different geographic areas. We have to increase the US and A/P share.
- The completion of the restructuring programs is the key to the success of the IC division.



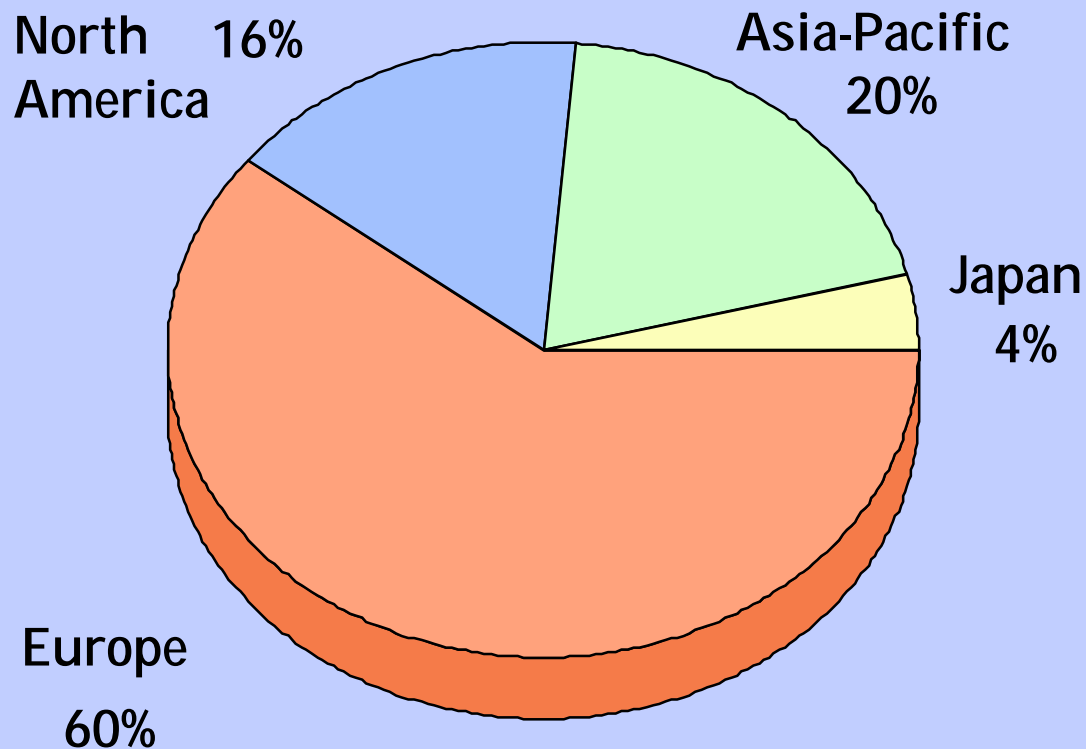
## Key Products / Core Competencies

- RF-Frontend ICs
- DAB Chipset
- Identification ICs (IDIC)
- Rugged Silicon
- ABS/Airbag ICs
- 8 bit Microcontrollers
- DC/DC Conversion ICs
- HDD Controllers
- Mixed Signal ASICs
- ULCs

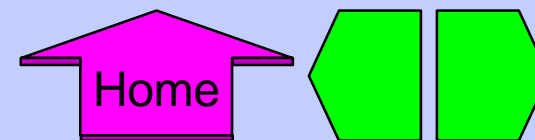




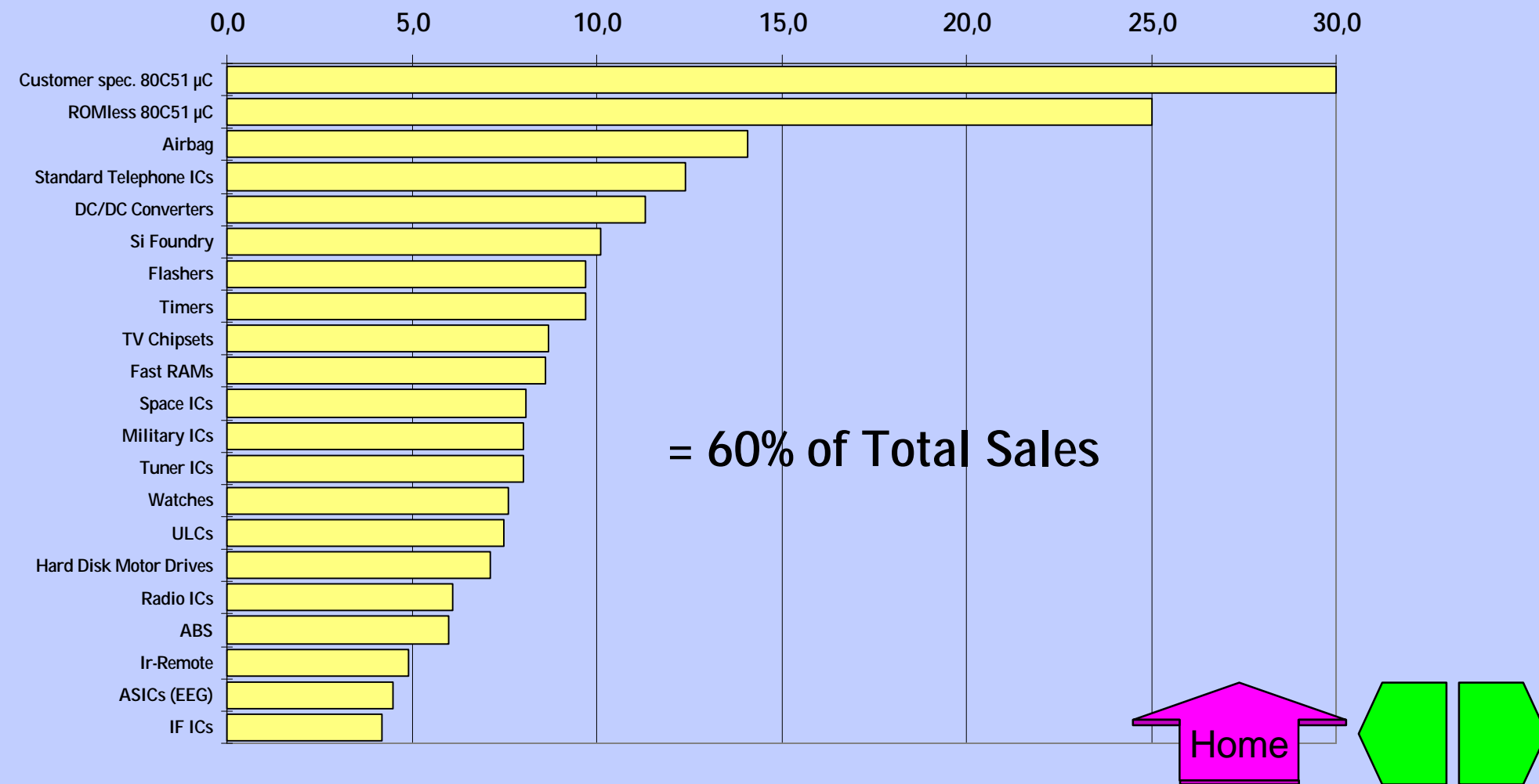
## Sales by Region



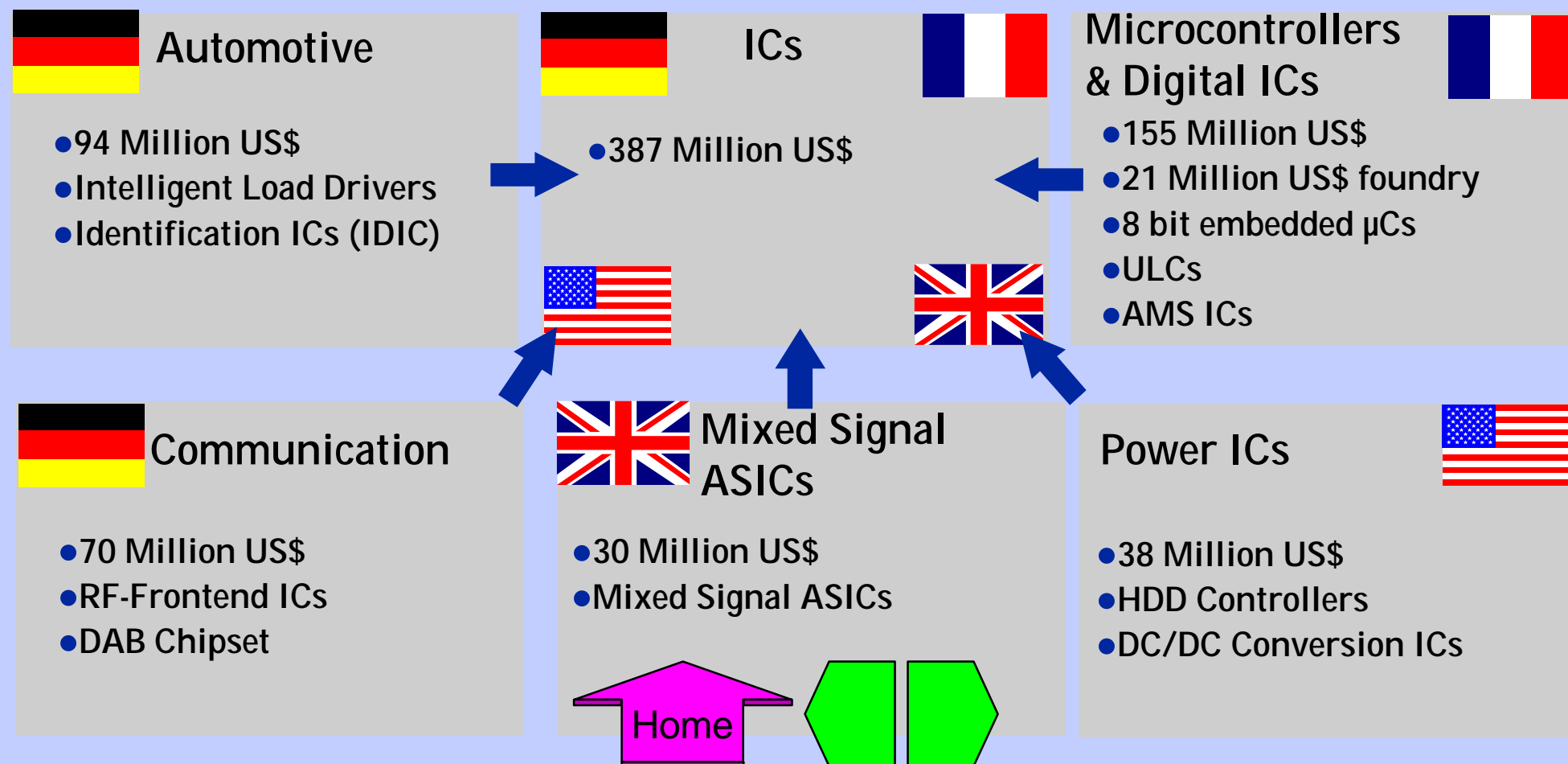
- Customer base is still Europe.
- However, the strategy is to gain more customers in the USA and A/P in order to balance this distribution.
- In Japan, the ICs are quite strong on power-management applications.



# 1996 Top 20 Products in Million US\$



## 1997 Challenges for the IC Division



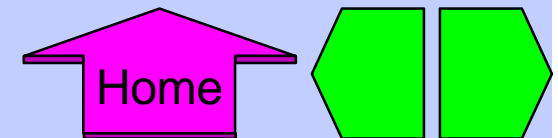
## Leadership through Technologies

### The work horses

- CMOS 0.8 and 0.5  $\mu\text{m}$  (0.35 under development)
- Standard Bipolar
- High Frequency Bipolar

### The winners

- SiGe --- replacing GaAs
- Mixed Signal: BCDMOS and BiCMOS
- Radiation tolerant CMOS --- Space applications



## The Steps to Success

- Focus on core competencies and key customers
  - RF ICs for Communication
  - Embedded Microcontrollers
  - Intelligent Load Drivers for Automotive
- Streamline the product portfolio
- Complete re-engineering programs in Heilbronn and Nantes
- Accelerate the process of turning technology know-how into product and market leadership

